



J. TYLER McCAULEY  
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-2766  
PHONE: (213) 974-8301 FAX: (213) 626-5427

December 31, 2003

TO: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Yvonne Brathwaite Burke  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley *JTM*  
Auditor-Controller

Bryce Yokomizo, Director *Bryce Yokomizo*  
Department of Public Social Services

Robert Ryans, Director *Robert Ryans*  
Department of Community and Senior Services

**SUBJECT: ENHANCED MONITORING OF THE REFUGEE IMMIGRANT TRAINING  
AND EMPLOYMENT PROGRAM CONTRACTORS**

In response to a payment fraud involving the Refugee Immigrant Training and Employment Program (RITE) and the GAIN Employment Activity and Reporting System (GEARS), on July 29, 2003, your Board discussed the motion by Supervisor Antonovich to require that two County employees approve all contractor authorized payments. Your Board also instructed the Auditor-Controller to report back to the Board with the cost of implementing this recommendation and possible alternatives, and the impact if the policy is not adopted. The Auditor-Controller issued that report to your Board on December 5, 2003 (Attachment I).

At its December 16, 2003 meeting, the Board considered the report and ordered that the item be continued to the January 6, 2004 meeting. In the interim, the Auditor-Controller was directed to report on what actions the County can immediately take to prevent further frauds and what program modifications are necessary in the longer term to prevent fraud. Your Board also requested to be informed of available methods to recover fraudulent payments.

**Short Term Actions**

As soon as the fraud became known, the Department of Public Social Services (DPSS), the Department of Community and Senior Services (DCSS) and the Auditor-Controller started to take corrective actions.

DPSS implemented significant changes to its GEARS system to help prevent and/or detect fraudulent activity in a timely manner (Attachment II). The changes also include new management reports that highlight possible irregularities in program disbursements. As indicated in our December 5<sup>th</sup> report, we verified that the key enhancements to the GEARS system are in place and functioning. DPSS management indicated that their staff is currently reviewing the new management reports. In addition, DPSS provided training to DCSS staff on GAIN program requirements and GEARS utilization. DPSS and DCSS are also making the necessary changes to their Memorandum of Understanding to strengthen DPSS' oversight of DCSS' administration of the RITE program and DCSS' monitoring of the contractors.

DCSS provided DPSS with an updated listing of RITE contractor staff and DCSS staff that need GEARS access, including the appropriate staff authorization level (e.g., administrator, supervisor, case manager, monitor, etc.). DPSS used the listing to identify and remove unnecessary user ID's from GEARS. DCSS also instructed the RITE contractors to provide monthly updates of staff that no longer need access to GEARS so that their access capabilities can be removed more timely.

The Auditor-Controller, as part of the County's Centralized Contract Monitoring Project, developed a process and procedures for monitoring the RITE contractors and several monitoring projects are underway. DPSS has provided six additional staff to augment staff previously provided by DCSS and we anticipate monitoring all RITE contractors by the end of March 2004. The contracts of any contractors found to be participating in a fraudulent activity, or having any other serious contract deficiencies will be recommended for cancellation as each of the monitoring projects is completed. Their clients will be transferred to DPSS who will provide services to them, as was done with the clients of the two RITE providers whose contracts were terminated in May and September 2003.

**Mid-Term Actions**

By no later than March 1, 2004, DPSS will assume the payment processing function from the contractors. This is a more efficient version of Option 1 recommended in the Auditor-Controller's December 5, 2003 report in that, rather than approving what the contractor has processed, DPSS staff will perform the entire approval function. The approval by two County staff will be required for all payments. This will apply to both the RITE and GAIN contracts.

DPSS will also expand its monitoring efforts by reassigning nine staff to monitor (on a sample basis) transportation and ancillary issuances to CalWORKs participants. In addition, the Auditor-Controller will provide training to DPSS staff.

In April 2004, a status report, including recommendations for the long-term operation of this program, will be provided to the Board. If a significant number of contractors have serious contract deficiencies, it will be recommended that DPSS directly operate this program with County staff. If only a few contractors are found with deficiencies, a new RFP and Proposition A cost analysis will be performed to evaluate whether to continue contracting. The current contracts expire in June 30, 2004. Should it be determined that it remains cost effective to contract for these services, the contracts will be administered and monitored directly by DPSS.

### **Long-Term Actions**

Currently, contractors providing social services to County departments operate their program(s) using administrative staff that includes executive management, and support staff such as bookkeepers/controllers, personnel managers, program managers, etc. The Auditor-Controller believes that a feasibility study should be performed to determine whether consolidating contracts under "umbrella" or "consortium" organizations could provide more effective and cost efficient management and administrative services, as well as opportunities for improved controls and to minimize non-compliant program activities and fraud. The Auditor-Controller will prepare a proposal for a Quality and Productivity Commission grant to study the merits of such a course of action. In the interim, the Auditor-Controller will explore with DPSS, the Department of Children and Family Services, and/or the Department of Mental Health the possibility for pilot projects to gain insights into the operational dynamics of consolidating providers.

### **Fraudulent/Overpayment Recovery**

The issue of the County's options to recover fraudulent and other overpayments was referred to County Counsel who will respond separately.

### **Requested Action**

Unless otherwise instructed by your Board, we will proceed with the actions described above and will issue a status report in April 2004 with recommendations for the longer term operation of this program, as appropriate.

Please call us if you have any questions or have your staff contact Pat McMahon at (213) 974-0729.

JTM:PTM:DR:DC  
Attachments

c: David E. Janssen, Chief Administrative Officer

Lloyd W. Pellman, County Counsel  
Violet Varona-Lukens, Executive Officer  
Audit Committee  
Public Information Office



J. TYLER McCAULEY  
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-2766  
PHONE: (213) 974-8301 FAX: (213) 626-5427

December 5, 2003

TO: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Yvonne Brathwaite Burke  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley   
Auditor-Controller

SUBJECT: **COST OF REQUIRING COUNTY PERSONNEL TO APPROVE  
CONTRACTOR AUTHORIZED PAYMENTS (AGENDA ITEM #2, JULY  
29, 2003)**

In response to a payment fraud involving the GAIN Employment Activity and Reporting System (GEARS), on July 29, 2003, your Board instructed the Director of the Department of Public Social Services (DPSS) to modify the GAIN Employment Activity and Reporting System (GEARS) to require that two County employees approve all contractor authorized payments. Your Board also instructed the Auditor-Controller to report back to the Board with the cost of implementing this recommendation and possible alternatives, and the impact if the policy is not adopted. This is our report.

**Background**

DPSS currently contracts with the Department of Community and Senior Services (DCSS) to provide case management services to non-English/Spanish speaking participants under the Refugee/Immigrant Training and Employment (RITE) program. DCSS in-turn subcontracts with 11 community based organizations (RITE Providers) that provide the actual case management services to participants. DCSS is responsible for the administration and monitoring of the RITE program on behalf of DPSS. DPSS also contracts with MAXIMUS and ACS State and Local Solutions (ACS) (formerly Lockheed Martin – IMS) to provide case management services to English/Spanish speaking participants under the Greater Avenues for Independence (GAIN) program. DPSS is directly responsible for the administration and monitoring of the contracts with MAXIMUS and ACS.

Both the RITE providers and the contract GAIN providers have the ability to authorize participant payments for transportation, ancillary costs and child care on DPSS'

**December 5, 2003**

GEARS. To issue payments, GEARS' internal control system requires varying levels of supervisory/management approval based on the dollar amount of the participant payment. County personnel have no direct involvement in authorization or approval of these benefit payments.

During the Fiscal Year 2002-2003, the RITE Providers issued approximately 76,000 warrants for transportation and ancillary payments totaling approximately \$4.5 million. Approximately 82,000 transportation and ancillary payments warrants totaling approximately \$6.75 million were issued by MAXIMUS and ACS for the same period.

### **Summary**

Of the three alternatives identified, Option #1, which would require pre-approval of all payments by two County employees, is the strongest from an internal control (i.e., safeguarding of assets) perspective. However, as was expected, it is also the most expensive, costing approximately \$701,000 for the GAIN Program and approximately \$1.19 million for the RITE Program. The least costly alternative is Option #3, which would only require an after payment review by a County employee of a 20% sample of payments. Option #3 would cost approximately \$63,000 for the GAIN Program and approximately \$98,000 for the RITE Program.

It should be noted that both the RITE and GAIN contracts are Proposition A contracts and their original estimated cost savings were due in some part to not having internal controls such as adequate County approvals over contractor authorized payments. In retrospect, we believe that the cost savings previously identified for these programs were overstated because the estimates of contractor cost did not consider the additional costs that would be necessary to address the internal control weaknesses that allowed the payment fraud to occur.

### **GAIN – Recommended Action**

The annual Proposition A cost savings estimates for the GAIN Case Management contracts with MAXIMUS and ACS average \$1.15 million and \$1.45 million, respectively. If the increased costs of implementing Option #1 are factored in, the GAIN contracts are still significantly cost effective. Because of the need to ensure that funds are properly spent, the fact that Option #1 provides for the highest level of security over DPSS payments, and because these agreements continue to provide substantial cost savings assuming the implementation of Option #1, the Auditor-Controller favors implementation of Option #1 for the two GAIN Program contractors.

If the DPSS decides to not implement Option #1 due to its cost, it must ensure that payments previously monitored by DCSS, are diligently monitored on an ongoing basis using one of the two other options. On the positive side, it is acknowledged that DPSS has otherwise strengthened internal controls over the GEARS payments. For example, previously, if payments were below a certain dollar threshold, approval by only one

December 5, 2003

contractor personnel was required to generate a payment. Currently, at least two individuals must approve all payments.

### **RITE – Recommended Action**

The annual Proposition A cost savings estimate for the RITE Program are approximately \$51,000 annually. These savings are marginal, less than 1% of the annual estimated cost of this program of \$8.3 million. As the data on Table 2 on page 6 indicates, implementation of any of the three options under consideration would result in the agreement for the RITE Program no longer being cost effective.

To date, in conjunction with its investigation of the payment fraud involving RITE contractors, the District Attorney's office has identified almost 5,400 payments totaling in excess of \$844,000 which may ultimately be identified as fraudulent issuances. The dollar value of the County payments under investigation is in excess of sixteen times the estimated annual cost savings of contracting for the RITE Program. DCSS recently exercised an option to extend the existing agreements with the RITE contractors through June 30, 2004.

Because of the marginal initial savings estimates, these contracts are not cost effective when the additional costs of theft, or achieving adequate controls are taken into account. When the contracts are re-bid and a new savings analysis is performed, DPSS should ensure that included in the cost of contracting are the costs of adequate internal controls (i.e., Option #1). In the meantime, DPSS and DCSS should continue to actively monitor RITE contractor payments. Together with the improved GEARS controls, this should provide adequate short-term fraud prevention.

### **Results of Review**

#### **Cost of Approving Contractor Authorized Payments**

##### **Methodology**

In developing the estimates of avoidable cost, it was assumed that County personnel would be approving and/or monitoring payments authorized by both GAIN contractors (i.e., MAXIMUS and ACS) and the RITE providers. The estimates were developed in conjunction with DPSS and include Salaries and Employee Benefits of the personnel that would perform the actual reviews and approvals, as well as other relevant costs such as the cost of clerical support, section management and supervision, services and supplies costs, bilingual bonuses, etc. In developing the estimates of cost, we employed the guidelines that are utilized in a Proposition A cost analysis, under which only costs that are deemed "avoidable" are considered.

In determining the number of DPSS personnel required to perform the payment approval and monitoring tasks, estimates of average case review times had to be used because these functions are not currently performed by the County. To develop these

December 5, 2003

estimates, DPSS arranged for simulations of payment review and approval activities to be conducted by Departmental personnel under our observation. DPSS then arranged for personnel from one of the GAIN Case Management contractors to perform timed review and approval simulations on the same transactions. The overall average review times of the contractor were consistent with those noted for County personnel.

We noted that the transaction counts, upon which staffing needs were computed, did include the payment transactions from the payment fraud. DPSS was not able to eliminate these transactions from the payment authorization counts. However, we determined that these payments only constitute about 3% of total number of contractor issuances. Accordingly, we do not believe that the inclusion of these issuances in the transaction counts will have a material effect on the estimates of avoidable cost.

### **Assumptions**

As previously indicated, the Board's motion instructed us to determine the cost of having two County employees approve all contractor payments authorized through the GEARS and to identify possible alternatives. Accordingly, we have developed cost estimates under three different options, each of which provides the County with varying levels of assurance that contractor authorized payments are valid. Under each of the options described below, the following is assumed:

- DPSS personnel would now perform the benefit payment approvals and any post reviews (i.e., monitoring) of benefit issuances.
- DPSS would begin utilizing centralized unit(s) where County personnel approving payments would receive copies of relevant case documentation from contractors, transmitted via various electronic media (i.e., faxes, e-mail, etc.).

It should be noted that the estimates of avoidable cost are conservative estimates of the minimum cost of performing the various options described above. For example, in calculating the number of full-time equivalent positions required under each option, it is assumed that approvals and/or monitoring reviews will take place on a continuous basis and that the actual review times will approximate the review times from the simulations performed to develop the estimated review times. To the extent reviews cannot be performed on a continuous basis, or actual reviews times are greater than the estimated review times, actual staffing needs may be greater than those assumed in cost estimates. It should be noted that DPSS believes that the implementation of either Option 1, or 2 will impact the timeliness of services to participants.

### **Estimates of Avoidable Cost**

**Option #1:** Under this option, two County employees would be required to review and approve all contractor authorized payments. Since the approvals of provider authorized payments would take place at a centralized, off-site unit and case documentation reviewed would only be copies and facsimiles of original documentation maintained in



December 5, 2003

the case file, it will be necessary for County personnel to perform post monitoring reviews of 10% of all provider authorized payments. While this is the most costly of the three options, it provides the greatest level of assurance that contractor authorized payments are valid.

**Option #2:** One County employee would be required to review and approve all contractor authorized payments from a centralized location. In addition, County personnel would perform post monitoring reviews of 10% of all contractor authorized payments. While less costly than Option #1, this option still provides for County personnel reviewing and approving each contractor authorized payment.

**Option #3:** Contractor personnel would continue to approve contractor authorized payments, with no County involvement. County personnel would perform post monitoring reviews of 20% of all contractor authorized payments. While this is the least costly option of the three, it also has the greatest risk of undetected payment fraud associated with it since County personnel would review only one of every five payment authorizations. In addition, detection would occur after the fact as part of the County's monitoring of contractor payments. Table 1 lists the estimated cost of each of the three options.

**Table 1**

<b>Estimated Cost of County Approvers/ Monitors by Option</b>	
Option Number 1	\$1,890,276
Option Number 2	\$1,240,291
Option Number 3	\$160,214

**Enhancements to the GEARS**

Following the detection of the GEARS fraud, DPSS took action to make a number of enhancements to GEARS to help prevent future payment frauds from occurring. For example, GEARS now requires an approval by a supervisory or managerial level employee on all payments. Accordingly, any future attempts to issue fraudulent payments would require a collusive effort. Previously, if the dollar amount on certain payments was below a specified threshold amount (e.g., \$150 for transportation payments), no secondary approval was required. Our review of the GEARS fraud disclosed that most of the fraudulent benefit payments involved payments that were less than the threshold amount, which would have required supervisory/management review.

December 5, 2003

Other enhancements to GEARS include additional controls when payments are being issued on cases that are inactive. In a number of instances, the provider issued fraudulent payments by reopening inactive cases, changing the mailing address(es) where payments were issued, issuing benefit payments, changing the mailing address back to the original address and returning the case to inactive status. DPSS has now modified GEARS to require management approval of payment authorizations on inactive cases, regardless of the amount. In addition, GEARS restricts lower-level staff from accessing these cases. Previously, no management approval was required, unless the authorization amount exceeded the payment threshold discussed above.

We have reviewed the key enhancements made to GEARS, have verified that they are in place and functioning and have made some suggestions for additional enhancements that we believe collectively will significantly improve the system of internal control over contractor authorized payments made through GEARS.

**Cost Effectiveness of Contracting for  
Case Management Services Under the RITE and GAIN Programs**

Implementation of any of the three options described above will result in additional County contracting costs. As Table 2 indicates, regardless of which option is implemented, it would remain cost effective to continue contracting for case management services under both GAIN Program contracts. However, because the contract cost savings associated with the RITE Providers is minimal, this contract would no longer be cost effective if your Board decided to implement any of the options presented above.

**Table 2**

	RITE Program (1)	GAIN Program (2)	
		MAXIMUS	ACS
County Avoidable Cost	\$ 8,343,990	\$11,827,397	\$16,102,293
Contractor Bid Price	\$ 8,292,755	\$ 9,524,419	\$13,197,492
Cost Savings	\$ 51,235	\$ 2,302,978	\$ 2,904,801
Cost of Implementing			
Option # 1	\$ 1,188,983	\$ 273,821	\$ 427,472
Option # 2	\$ 781,706	\$ 179,657	\$ 278,928
Option # 3	\$ 97,622	\$ 24,580	\$ 38,012

December 5, 2003

- (1) - County Avoidable Cost and Contractor Bid Price for RITE Program are for one year period.
- (2) - County Avoidable Cost and Contractor Bid Price for GAIN Program are for a two year period.

**Other Programs**

In addition to the RITE and GAIN Programs, we noted that DPSS' CalWORKs Stage 1 Child Care contractors and the Los Angeles Homeless Assistance Service Agency (LAHSA) also authorize County payments. DPSS' Refugee Employment Program (REP) contractors are scheduled to begin authorizing payments. We will be issuing a separate report to your Board outlining options for better controlling these payments, along with the associated estimated cost of each option.

If you have any questions, please contact me at (213) 974-8301, or have your staff contact DeWitt Roberts at (626) 293-1109.

JTM:PTM:MM

- c: David E. Janssen, Chief Administrative Officer  
Bryce Yokomizo, Director, Department of Social Services  
Robert Ryans, Director, Department of Community and Senior Services  
Audit Committee

# TRANSPORTATION EDITS

Attachment II

NEW/CHANGE EDITS ON MAINTAIN TRANSPORTATION (MTRP) SCREEN	IMPLEMENTED ON	REASON	FRAUD PREVENTION
<ul style="list-style-type: none"> <li>The maximum amount is now limited to \$999.00 per authorization</li> </ul>	07/31/03	To limit workers from authorizing over \$999.00 per authorization	No longer allow workers to authorize over \$999.00 and align with CalWORKs issuances.
<ul style="list-style-type: none"> <li>The User ID and the Telnet ID is captured with every authorization of the staff person entering the authorization.</li> </ul>	07/31/03	Track all authorization by users ID and Telnet ID	Identify and track the staff person who enters the authorization in GEARS.
<ul style="list-style-type: none"> <li>The Deputy Regional Administrator (DRA) or the GAIN Services Supervisor (GSS) User ID and Telnet ID is captured with every required approval.</li> </ul>	07/31/03	Track all approved authorizations by user ID and Telnet ID	Identify and track the staff person who approves the authorizations in GEARS
<ul style="list-style-type: none"> <li>The Total-Authorizations-to-Date is calculated and displayed on the screen.</li> </ul>	07/31/03	Monitoring, reviewing and reporting Purposes	Track and identify the total amount authorized to date for each participant to prevent excessive authorizations
<ul style="list-style-type: none"> <li>DRA approval is required for cumulative authorizations in any month over \$350.00</li> </ul>	07/31/03	Monitoring & tracking purposes	Authorizations accumulatively totaling, in any given month, \$350.00 will require two staff persons (GSS and DRA) to approve before the funds are paid to the participant. This will prevent excessive authorizations that may not be valid.
<ul style="list-style-type: none"> <li>DRA approval is required for authorizations for the inactive files regardless of the amount</li> </ul>	07/31/03	Monitoring & tracking purposes	<p>To prevent fraud on inactive cases. This will require three staff persons (GSW, GSS and DRA) to authorize and approve for the inactive file. The staff person who adds the transportation, the DRA who will approve as the GSS and DRA who will approve as DRA.</p> <p>GEARS will track the three staff persons (GSW, GSS and DRA) involved in authorizing for the inactive files</p>

<ul style="list-style-type: none"> <li>DRA approval is required for more than three retroactive authorizations.</li> </ul>	07/31/03	To track and require additional staff persons involved in authorizing retroactive payments.	Prevent fraud since to authorize from more than three retroactive authorizations, three staff persons (GSW, GSS and DRA) need to be involved. This will deter from committing fraud when the approval depends on three staff persons.
<ul style="list-style-type: none"> <li>A new type "Lump Sum Payment" was added to identify Lump Sum Payments and to allow workers to issue retroactive authorizations back to 01/01/98, if needed. DRA approval is required for lump sum authorizations regardless of the amount and overlapping is not allowed with any other type.</li> </ul>	07/31/03	To eliminate multiple authorizations for the same accrual period and to track the correct months that the Lump Sum authorizations cover  Monitoring & Review Purposes	Authorizations for a Lump Sum is more identifiable for the months that the lump sum covers. This will require three staff persons in order to approve, regardless of the amount.  Also, workers will not be able to add others authorization with the lump sum months period.
<ul style="list-style-type: none"> <li>Overlapping is not allowed for the same period and same type. Example: If the EZ Transit Pass has been authorized for 06/01/03 to 06/30/03 and the workers tries to authorize another EZ Transit Pass for 06/01/03 to 06/30/03, GEARS will reject the transaction.</li> </ul>	07/31/03	To eliminates workers from authorizing the same type of transportation if it has already been done.	Eliminates same type of authorization for the same accrual period.
<ul style="list-style-type: none"> <li>Previously, authorizations were processed for multiple types of transportation for the same period in one authorization. Now, workers may still process multiple transportation types for the same period, but <u>one authorization at a time</u>.</li> </ul>	07/31/03	Tracking each authorization by type for reporting purposes.	Enhance monitoring and tracking for different authorization types within the same accrual period.
<ul style="list-style-type: none"> <li>A monthly report was created and the first run occur at the end of August 2003 and has been provided to WTW and will be provided to each region listing authorizations cumulative in any month over \$150.00.</li> </ul>	07/31/03	Monitoring & Review Purposes	Monitors for each region will be monitoring workers who authorized, in any given month, authorizations accumulatively totaling over \$150.00. The report will show the user ID of the staff person who entered the authorization and the user ID of the staff person who approved

			the authorization. Enhanced tracking and monitoring for authorizations accumulatively totaling greater than \$150.00
<ul style="list-style-type: none"> <li>GSSs approval is mandatory with every transportation authorization.</li> </ul>	09/05/03	<p>To obtain approval with every authorization. The staff person who approves must be different from the staff person who adds the authorization.</p> <p>Monitoring &amp; Review Purposes</p>	<p>Additional supervisor control over authorizations. GEARS will capture the GSW's and the GSS's telnet ID and user ID of the staff person involved with every authorization.</p>
<ul style="list-style-type: none"> <li>If the authorization also requires a RA/DRA approval, both GSS and RA/DRA User ID and Telnet ID will be captured along with the GSW's.</li> </ul>	09/05/03	<p>Monitoring, tracking &amp; review purposes</p>	<p>Additional administrative control over authorizations. Additional staff person involved with every authorization.</p>
<ul style="list-style-type: none"> <li>If transportation authorization is for a case in the inactive file, two (2) RA/DRA approvals will be required since the GSS does not have access to inactive files.</li> </ul>	09/05/03	<p>Monitoring &amp; Review Purposes</p>	<p>Additional administrative control over authorizations for inactive cases. Three staff persons are required in order to add and approve for inactive files.</p>

#### Additional Transportation Expense (MATE) Edits

NEW/CHANGE EDITS ON MAINTAIN ADDITIONAL TRANSPORTATION EXPENSE (MATE) SCREEN	TARGET IMPL DATE	REASON	FRAUD PREVENTION
<ul style="list-style-type: none"> <li>GSSs approval will be mandatory with every transportation authorization.</li> </ul>	10/31/03	Monitoring & Review Purposes	Additional supervisor control over authorizations and will require two staff persons involved before an authorization is paid.
<ul style="list-style-type: none"> <li>If the authorization also requires a RA/DRA approval, both GSS and RA/DRA User ID and Telnet ID will be captured along with the GSW's.</li> </ul>	10/31/03	Monitoring & Review Purposes	Additional administrative control over authorizations. Identify and track the staff

			person who approves the authorization in GEARS.
<ul style="list-style-type: none"> <li>If transportation authorization is for a case in the inactive file, two (2) RA/DRA approvals will be required since the GSSs do not have access to inactive files.</li> </ul>	10/31/03	Monitoring, tracking & Review Purposes	<p>Additional administrative control over authorizations on inactive cases.</p> <p>Preventing fraud on inactive cases. This will require three staff persons for authorizing and approving for inactive file. The staff person who adds the transportation, the DRA who will approve as the GSS and DRA who will approve as DRA.</p> <p>GEARS will track the three staff persons involved in authorizing for inactive files.</p>
<ul style="list-style-type: none"> <li>New Alerts will be displayed for every Transportation Authorization by a GSW requiring a GSS approval as follows:</li> <li>1) For every authorization entered on the MTRP screen by the GSW, a new alert "APPROVAL FROM GSS REQ TRANS" will be displayed in the MALE screen.</li> <li>2) If the authorization is entered on the MATE screen, the alert "APPROVAL FROM GSS REQ ADD TRANS" will be displayed on the MALE screen.</li> </ul>	10/31/03	Automates the Approval process for the GSS	This will immediately notify the GSS of when an approval is required.
<ul style="list-style-type: none"> <li>New Alerts will be displayed for Transportation Authorizations by GSW's requiring both GSS and RA/DRA approval as follows:</li> <li>1) For each authorization entered by the GSW on the MTRP screen, a new alert "APPROVAL FROM DRA REQ TRANS" will be displayed on the MALE screen.</li> <li>2) If the authorization is entered on the MATE screen, a new alert, "APPROVAL FROM DRA REQ ADD</li> </ul>	10/31/03	Automates the Approval process for the DRA	This will immediately notify the DRA of when an approval is required.

<p>TRANS" will be displayed on the MALE screen.</p> <ul style="list-style-type: none"> <li>These alerts will not be deleted from the MALE screen. These Alerts will be Auto-deleted when the authorization is approved or cancelled.</li> </ul>			
<ul style="list-style-type: none"> <li>Allow the GSS and/or RA/DRA to select the alert/approval that requires their approval and to navigate directly to the appropriate approval screen.</li> </ul>	10/31/03	Easier & Faster Approval Process for GSS and/or DRA	This will assist the GSSs to review all the authorizations within their unit.
<ul style="list-style-type: none"> <li>Allow the RA/DRA profile to view all alerts that belong to their GAIN Location, sorted by either location, unit or file number.</li> </ul>	10/31/03	Easier & Faster Approval Process for DRA	This will assist the DRAs to review the GEARS screen faster and view all their pending approvals.
<ul style="list-style-type: none"> <li>Allow GSS profile to view all alerts that belong to their UNIT when GAIN location and the first two digits of his/her unit are entered, for example: GAIN location G6064 and Worker number 6K, all alerts for GAIN location G6064 and unit K should be listed for the GSS. Make the GAIN file number field mandatory, but they can key two or more characters.</li> </ul>	10/31/03	Limits viewing and accessing alerts. GSS will be able to view and access only their unit alerts. DRA will be able to view and access only their GAIN location alerts.	Prevent viewing alerts outside of the access level.
<ul style="list-style-type: none"> <li>Allow GSW profile to view all the alerts only for their own files when GAIN location and worker file number is entered, for example: GAIN location G6064 and worker 6K77, all alert for worker 6K77 should be listed.</li> </ul>	10/31/03	Limits access to files within GSW cabinet.	Prevent access to cases outside of users cabinet.
<ul style="list-style-type: none"> <li>Calculate the cumulative authorization amount for a month from the MATE screen as well as the MTRP screen (currently, it is only accumulated from the MRTTP screen)</li> </ul>	10/31/03	Monitoring, reviewing and reporting purposes	Prevent excessive authorizations and track cumulative authorizations over \$150.00 from MTRP and MATE.
<ul style="list-style-type: none"> <li>Calculate the Total Auth to Date amount to include the life time authorization for the Additional Transportation (MATE) screen as well as the MTRP screen (currently, it only calculates from the MTRP screen).</li> </ul>	10/31/03	To capture the amount that has been authorized up to date for each participant for transportation authorized from MTRP and MATE	This will assist the GAIN region monitor to identify the amount that has been authorized up to date for each participant.
<ul style="list-style-type: none"> <li>If the transportation is authorized and a warrant issued, but later gets cancel by the Auditor without a replacement, it will not be included in the cumulative amount and can be re-authorized/issued (currently, the issuance cannot be re-issued even though it has been</li> </ul>	10/31/03	To capture the correct cumulative amount and the correct total authorized to date amount. Also, in case	This will assist for reporting and monitoring purposes.



cancelled by the Auditor).		is needed workers will be able to re-authorized for the same period and type	
<ul style="list-style-type: none"> <li>Allow only ONE transportation type to be created at a time from the MATE</li> </ul>	10/31/03	Tracking each Authorization by Type for Reporting purposes.	To enhance monitoring and tracking for different authorization types within the same accrual period.
<ul style="list-style-type: none"> <li>In MATE update mode, users can no longer change the amount, the type or add new types.</li> </ul>	10/31/03	For tracking and correctly capturing the User ID and the Telnet ID of the staff person who added. Also, for reporting and monitoring purposes	This will assist in preventing fraud since users will no longer be able to change the amount or type after approval.
<ul style="list-style-type: none"> <li>Prevent users from adding additional transportation such as Parking, Application Fee, etc., to a canceled record on MTRP.</li> </ul>	10/31/03	To prevent workers from adding additional transportation to a transportation record that has been canceled in MTRP.	This will eliminate additional authorizations on canceled records.
<ul style="list-style-type: none"> <li>Lower the amount that can be authorized for parking up to \$40.00</li> </ul>	10/31/03	Not to allow parking authorization over \$40.00	This will assist to eliminate authorization for parking over \$40.00
<ul style="list-style-type: none"> <li>Lower the amount that can be authorized for Application Fee up to \$10.00</li> </ul>	10/31/03	Not to allow application fee authorization over \$10.00	This will assist to eliminate authorization for application fee over \$10.00
<ul style="list-style-type: none"> <li>Lower the amount that can be authorized for Replacement Application Fee up to \$10.00 and do not allow the Replacement Application Fee to be authorized if the Application Fee for the period record has not been paid.</li> </ul>	10/31/03	Not to allow application replacement fee authorization over \$10.00 and to do not allowed to be authorized if the application has not been paid	This will assist to eliminate authorization for application replacement fee over \$10.00 and to eliminate workers from adding it if the application fee has not been paid.
<ul style="list-style-type: none"> <li>Allow the first transportation approval to be done by a GSS or DRA. If the authorization requires a GSS and a DRA approval and if the DRA approves for the GSS</li> </ul>	10/31/03	To allow a DRA to approve as a GSS when GSS is not	This will assist to track the staff persons involved in each authorization

then a different DRA must approve as the DRA in MATE and MTRP		available and still track the two or three User Ids and Telnet Ids	
<ul style="list-style-type: none"> <li>Not to allow the GSSs/DRA to add and approve the same transportation authorization</li> </ul>	10/31/03	In case the GSS and/or DRA add transportation, they can not also approve.	This will assist in preventing the same staff person from adding and approving

#### ANCILLARY EDITS

NEW/CHANGE EDITS ON MAINTAIN ANCILLARY EXPENSE AUTHORIZATION (MAEA) SCREEN	TARGET IMPL. DATE	REASON	FRAUD PREVENTION
<ul style="list-style-type: none"> <li>DRA approval is required for cumulative authorization in any month over \$200</li> </ul>	10/31/03	Monitoring & tracking purposes	Authorizations cumulative in any given month will require two staff persons to approve before the funds is paid to the participant. This will prevent excessive authorizations that are not valid
<ul style="list-style-type: none"> <li>DRA approval is required for authorizations from inactive files regardless of the amount</li> </ul>	10/31/03	Monitoring & tracking purposes	<p>This will require three staff persons for authorizing and approving for inactive files. The staff person who adds the ancillary, the DRA who will approve as the GSS and the DRA who will approve as DRA.</p> <p>Additionally, GEARS will track the three staff persons involved in authorizing for the inactive files.</p>
<ul style="list-style-type: none"> <li>DRA approval is required for authorizations from an active component that is more than two years ( component that opens over two years from the actual start date with no actual end date)</li> </ul>	10/31/03	Monitoring & tracking purposes	This will assist by eliminating workers adding ancillary for components that has been active for more than two years
<ul style="list-style-type: none"> <li>Ancillary authorization will not be allowed from a component that has actual end date but no actual start date</li> </ul>	10/31/03	Monitoring & tracking purposes	This will assist by eliminating workers adding ancillary for participants who did not start the

			activity
<ul style="list-style-type: none"> <li>Full authorization amount should be paid either in Regional Office (RO) or by warrant. User will not be able to issue partial of the authorized amount in RO and send partial of the authorized amount by warrant.</li> </ul>	10/31/03	For tracking and reporting purposes	This will assist the monitor to review the amount paid in the office or through a warrant.
<ul style="list-style-type: none"> <li>User will be able to change the needed amount to zero when the Regional Office payment is canceled.</li> </ul>	10/31/03	To allow the workers to cancel by change the needed amount to zero before payment is made.	This will assist by allowing the worker to cancel the authorization when not needed.
<ul style="list-style-type: none"> <li>The User ID and the Telnet ID is captured with every authorization of the staff person entering the authorization.</li> </ul>	10/31/03	Monitoring & tracking purposes	This will assist in tracking and identifying the staff persons involved in each authorization.
<ul style="list-style-type: none"> <li>The Deputy Regional Administrator (DRA) or the GAIN Services Supervisor (GSS) User ID and Telnet ID is captured with every required approval.</li> </ul>	10/31/03	Monitoring & tracking purposes	This will assist in tracking and identifying the staff persons involved in each authorization.
<ul style="list-style-type: none"> <li>A monthly report will be created and provided to each region listing authorizations accumulatively totaling in any given month over \$200.00.</li> </ul>	10/31/03	Monitoring & Review Purposes	Monitors from each region will be monitoring workers who authorized in any given month authorizations accumulatively totaling greater than \$150.00. The report will show the user ID of the staff person who entered the authorization and the user ID of the staff person who approved the authorization. Enhanced tracking and monitoring for authorizations accumulatively totaling greater than \$150.00